LYNCHBURG CITY COUNCIL Agenda Item Summary

MEETING DATE: November 26, 2002, Work Session AGENDA ITEM NO.: 7

CONSENT: REGULAR: X CLOSED SESSION: (Confidential)

ACTION: X INFORMATION:

ITEM TITLE: Inspections Fee Schedules, Plan Reviewer

<u>RECOMMENDATION</u>: 1) Remove the building fees from the body of the City Code and include a reference to a separate document adopted as policy. 2) Revise building fees from a square foot basis to a value based system 3) Institute a plan review fee and add a plan reviewer position to staff.

<u>PRIOR ACTIONS</u>: The Department of Community Planning & Development, Inspections Division currently has the building fees incorporated as a part of the City Code. The fees are based on square foot calculations and we have had difficulty in making an appropriate application of the fees. We also believe that by standardizing the fees based on the value of construction for each project, the fees would be applied more fairly. Added benefits would be a better coordination with the Commissioner of Revenue and the Assessor's office in that all property improvements and business licenses would be tied to actual costs of construction and improvements. Changing fees based on the cost of construction would provide for a more accurate assessment of the value of construction within the city and allow the fees to keep up with inflation thereby not requiring periodic updates of fees schedules to cover salary increases of staff.

The City currently does plan review on all projects but does not charge for the service. Many jurisdictions located in the Commonwealth charge a plan review fee. The USBC provides that a municipality may charge a reasonable fee for the services it provides to offset the cost of providing the service. Plan review is a critical function to ensure that a project moves to completion with the minimum of technical problems. We believe that this function should be given the priority it deserves.

<u>FISCAL IMPACT</u>: Increase City revenues by providing an accurate method of basing fees on cost of construction. Adding a plan review fee of 10% of the building permit fee would provide for the addition of a plan reviewer position to the Inspections staff

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ATTACHMENTS:



A - Fee Schedule Analysis

B - Proposed Fee Schedule

C - Existing Fee Schedule

D - Permit Fee Comparison By Jurisdiction

E - Plan Reviewer Job Description

REVIEWED BY: lkp